

disability rights case where the majority said: "few if any Rehabilitation Act cases would survive" if Judge Alito's view were the law.

Again, big business and government wins, you lose.

Perhaps the most important instance when the rights of an individual conflict with the interests of the government are when the state seeks to carry out the death penalty.

How anyone could come up with the conclusion of Judge Alito's is really hard to understand.

Senators LEAHY and FEINGOLD asked Judge Alito whether it would be unconstitutional to execute an "unquestionably innocent man."

The obvious answer from anyone would be quite clear. It would be plainly unconstitutional. But Judge Alito refused to say so. Instead, he spoke in bland bureaucratic terms about the need for the innocent person to file the proper petitions under proper Federal rule.

Remember, the question was, "Would it be unconstitutional to execute an unquestionably innocent man?" Of course, it would.

That was a chilling moment. If the Constitution means anything it means that the state cannot put to death an "unquestionably innocent" person. If Judge Alito cannot say that without equivocation, he is not the kind of judge I want on the Supreme Court of the United States.

These three broad concerns about Judge Alito's record on the bench are all the more troubling in light of the fact that Judge Alito has been nominated to replace Justice Sandra Day O'Connor, a national icon who has been a voice of moderation and reason on the Court for the last quarter of a century.

President Bush was not obligated to nominate a clone of Justice O'Connor. But this President has no mandate to move the Supreme Court and American law in a radical rightward direction. That is precisely what replacing Justice O'Connor with Judge Alito will accomplish.

That Judge Alito has been nominated to replace Justice O'Connor is relevant in another sense. Justice O'Connor was the first of only two women ever to sit on the Supreme Court. It remains disturbing to me that she would be replaced by a man, leaving only one woman on the nine-member Court.

Today, more than half of the nation's law students are women. There are countless qualified women on the bench, in elective office, in law firms, and serving as law school deans. I can't believe the President searched the country and was unable to find a qualified female nominee. But maybe he was unable to find a qualified female nominee who satisfied the radical far right wing of the Republican Party.

Meanwhile, for the third time, this President has turned down the opportunity to make history by nominating the first Hispanic to the Court. How

much longer must Hispanics across America wait before they see someone on the nation's highest court who shares their ethnic heritage and their shared experiences?

I have no doubt that Sam Alito is a decent man.

But a confirmation debate is not a popularity contest. The rights and liberties of the American people are at stake. This particular nomination raises profound questions about our system of checks and balances.

We need to ask whether a Justice Alito will serve as an effective check on a swaggering President and his reckless policies.

At this critical moment in our Nation's history, I cannot support the confirmation of this nominee to fill this vacancy on the Supreme Court of the United States.

The PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. FRIST. Mr. President, at the end of a debate in the Senate there is rarely a question of whether everything has been said—only whether every Senator has said it.

After 92 days since this nomination was announced, after 30 hours of Judiciary Committee hearings, after Judge Alito answered more than 650 questions, and after 5 days of debate on the floor of the Senate, there is little left to be said. So I will be brief.

To President Bush I say thank you. To President Bush I say thank you for nominating such an exceptionally qualified individual as Sam Alito to serve on the Supreme Court.

To my Senate colleagues I say well done to the supermajority of Senators who joined yesterday to elevate principle above partisan politics and defeat an unjustified filibuster of this nomination.

And to Judge Alito I say: You deserve the seat on the Supreme Court. Today, you will become the 110th Justice to serve on the Court throughout America's history. It is a seat that is reserved for a few but that impacts millions. May the Constitution and rule of law be the light that illuminates each case that comes before you.

So, momentarily, we will vote from our desks, a time-honored tradition that demonstrates, once again, how important and consequential every Member takes his duty under the Constitution to provide advice and consent on a Supreme Court nomination and to give the nominee the fair up-or-down vote he deserves. It is time to call the roll.

There is only one thing left to say. I ask for the yeas and nays on the nomination of Samuel Alito to serve as Associate Justice of the Supreme Court of the United States.

The PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The question is, Will the Senate advise and consent to the nomination of Samuel A. Alito Jr., of New Jersey, to be an Associate Justice of the Supreme

Court of the United States? On this question, the yeas and nays have been ordered. Senators are requested to vote from their seats.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDENT pro tempore. The Chair admonishes all present that no reaction to a Senate vote is permitted under Senate rules.

The result was announced—yeas 58, nays 42, as follows:

[Rollcall Vote No. 2 Ex.]

#### YEAS—58

Alexander	DeWine	McConnell
Allard	Dole	Murkowski
Allen	Domenici	Nelson (NE)
Bennett	Ensign	Roberts
Bond	Enzi	Santorum
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burns	Grassley	Smith
Burr	Gregg	Snowe
Byrd	Hagel	Specter
Chambliss	Hatch	Stevens
Coburn	Hutchison	Sununu
Cochran	Inhofe	Talent
Coleman	Isakson	Thomas
Collins	Johnson	Thune
Conrad	Kyl	Vitter
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	Martinez	
DeMint	McCain	

#### NAYS—42

Akaka	Feingold	Menendez
Baucus	Feinstein	Mikulski
Bayh	Harkin	Murray
Biden	Inouye	Nelson (FL)
Bingaman	Jeffords	Obama
Boxer	Kennedy	Pryor
Cantwell	Kerry	Reed
Carper	Kohl	Reid
Chafee	Landrieu	Rockefeller
Clinton	Lautenberg	Salazar
Dayton	Leahy	Sarbanes
Dodd	Levin	Schumer
Dorgan	Lieberman	Stabenow
Durbin	Lincoln	Wyden

The nomination was confirmed.

The PRESIDENT pro tempore. The majority leader.

Mr. FRIST. I move to reconsider the vote.

Mr. MCCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FRIST. Mr. President, I ask unanimous consent that the President be immediately notified of the Senate's action.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### NOMINATIONS OF BEN S. BERNANKE TO BE A MEMBER AND CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Mr. FRIST. Mr. President, I now ask that the Senate proceed to the nominations of Ben Bernanke, as under the previous order.

For the information of colleagues, we will begin debate on the Bernanke nominations now and will conclude the remaining debate after the policy lunches.

The PRESIDENT pro tempore. I cannot hear the leader.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The majority leader has the floor.

Mr. FRIST. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SHELBY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURR). Without objection, it is so ordered.

Under the previous order, the Senate will proceed to consideration of Executive Calendar Nos. 440 and 441, which the clerk will report.

The legislative clerk read the nomination of Ben S. Bernanke, of New Jersey, to be a member of the Board of Governors of the Federal Reserve System.

The legislative clerk read the nomination of Ben S. Bernanke, of New Jersey, to be Chairman of the Board of Governors of the Federal Reserve System.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise this morning in support of the nominations of Benjamin S. Bernanke to be a member and the Chairman of the Board of Governors of the Federal Reserve System.

In November of 2005, I chaired our Banking Committee hearing regarding this nomination, and we heard from Dr. Bernanke on a wide range of economic issues. In reporting this nomination to the floor for consideration, I would reiterate that President Bush has made a superb appointment in selecting Dr. Ben Bernanke for this position.

This nomination is of great importance to our Nation and our economy. As the central bank, the Federal Reserve has the responsibility for conducting monetary policy to maintain maximum employment, stable prices, and moderate long-term interest rates. As the U.S. continues to lead the world economy, sound stewardship of the Federal Reserve also affects the global marketplace.

The Chairman of the Federal Reserve would certainly have a big enough job to do if he were tasked only with serving as head of the central bank of the United States. But his job also entails the supervision and regulation of financial institutions, including some of the largest financial entities in the world. The Federal Reserve must ensure the safety and soundness of these institutions and monitor any potential for systemic risk. The American consumer also counts upon the Federal Reserve to foster the fair and efficient delivery of services to customers of financial institutions.

The Federal Reserve also plays a major role in operating the Nation's payment system. Evolving technology continues to change the way we pay for goods and services. The Federal Reserve must oversee these innovations

and adaptations and make certain the U.S. payment system is effective, reliable, and safe.

For nearly two decades, it has been impossible to raise the topic of the Federal Reserve without also mentioning Alan Greenspan, and I will do so briefly here today. Alan Greenspan has been the face and the voice of the Federal Reserve for over 18 years. Today he is chairing his last session of the Federal Open Market Committee.

Chairman Greenspan has made a big impression on all of us—here in Congress, our Nation, and across the world. During his tenure, the U.S. economy and our financial system have withstood a number of significant shocks, including the stock market crash of 1987, the Asian debt crisis which affected capital globally, and, of course, the catastrophic effects of 9/11, which hit the heart of the U.S. financial industry and which affected all of us and our economy in many ways.

Chairman Greenspan also oversaw the longest economic expansion in American history. Because of our economic success, even in the face of great challenges, some consider Chairman Greenspan to be the greatest central banker of all time. I commend Chairman Greenspan for his exemplary service and dedication to our country.

Now it is time for a transition at the Federal Reserve System. As I noted, this will be the first time in nearly two decades that the Congress has had a new nominee before us for consideration. Certainly stepping into Mr. Greenspan's shoes will be a tremendous challenge.

While it may seem a daunting task to follow as distinguished a chairman as Alan Greenspan, we should be mindful of two things.

First, in 1987, many observers wondered whether an economist named Alan Greenspan could successfully follow in the wake of the vaunted Paul Volcker as Chairman of the Federal Reserve. Each person who sits in the Chairman's seat has the opportunity to make that position his own and to become a leader in his own right. That is what has been done, in large part, due to the caliber of the men who Presidents of the United States have chosen for the task.

Second, I would also note that many individuals who hold diverse viewpoints on other topics are in agreement that President Bush has selected the best possible candidate to serve as the next Federal Reserve Chairman. Indeed, Dr. Ben Bernanke may well be the finest monetary economist of his generation. He has both a distinguished career in academia as well as in the policymaking arena.

The list of his experience and achievements is long. I do not have enough time this morning to mention all of them, but I want to mention some of his most important qualifications because his nomination requires someone with the rare expertise that Dr. Bernanke has acquired.

As he moves on to become the Federal Reserve Chairman, Dr. Bernanke will be completing his duties as Chairman of the President's Council of Economic Advisers. During his service at the CEA, Dr. Bernanke provided the President and our Nation with sound economic advice on a variety of significant policy issues. But before his service at the Council of Economic Advisers, Dr. Bernanke served with great distinction as a member of the Board of Governors of the Federal Reserve System from 2002 to 2005. This experience gives him an inside knowledge of the Federal Reserve and the financial markets.

Dr. Bernanke has earned the tremendous respect and confidence of policymakers in this country as well as around the world. He previously served as chair of the economics department at Princeton University, and prior to that tenure he was an associate professor of economics at the Graduate School of Business at Stanford University. He also served as a visiting professor of economics at New York University and at the Massachusetts Institute of Technology. He was the director of the Monetary Economics Program of the National Bureau of Economic Research. In 1975, he received his B.A. in economics from Harvard University, where he graduated with honors. In 1979, he received his Ph.D. in economics from MIT.

It will be difficult to follow the long and successful tenure of Alan Greenspan. Dr. Bernanke is an excellent choice for the job. Few individuals have this mix of practical and academic experience, especially his prior experience at the Federal Reserve. The Banking Committee reviewed this nomination thoroughly, and we believe Dr. Bernanke will serve this country well at the helm of the Federal Reserve.

I urge my colleagues to support this nomination.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I would like to say a few words on behalf of Dr. Bernanke. But before I do, I would like to state for the record what a great pleasure it has been to work with Dr. Greenspan. It was an honor to have had the opportunity to hear his testimony in committee and to work with him on public policy issues. I wish him well as he moves on to other endeavors. The country is forever grateful for his service as Chairman of the Federal Reserve.

I had an opportunity to sit down and visit with Dr. Bernanke. I was impressed not only with him personally but also with the conversation we had and his record. He is going to bring a lot to the Fed. I join the chairman of the Banking Committee in support of Dr. Bernanke.

Dr. Bernanke is known for his tough stance on fighting inflation. Many expect that Dr. Bernanke's views on interest rates will be similar to Dr.

Greenspan's because of his stance on controlling accelerating inflation with interest rate hikes. When I had a chance to visit with him, he stressed the importance of communication and transparency. As Chairman of the Federal Reserve, that is going to be a big part of his responsibilities.

He argued that the final say on debts and deficits lies with the President and the Congress. I couldn't agree more that we need to do more to control deficit spending and the debts we have accumulated over the years. Dr. Bernanke shared with me that his first priority will be to maintain continuity with the policies and strategies established during the Greenspan years.

We have to recognize Dr. Bernanke for what he has already contributed. He is one of the world's leading experts on the subject of how central banks, such as the Fed, should set interest rates and cause the money supply to expand or contract. The combination of Dr. Bernanke's academia, intellect, and his work for and with the Fed will greatly facilitate his transition as the new chairman of the Federal Reserve.

Wall Street and the investment world seemed to like the nomination of Dr. Bernanke as the new Chairman of the Federal Reserve. The Dow Jones Industrial was up some 169.78 points. It was the biggest 1-day point percentage gain since last April. So the response from Wall Street has been good.

Dr. Bernanke spent 20 years at Princeton as a professor of economics and public affairs. He also served as the chairman of Princeton University's economic department. Before being appointed to the President's Council of Economic Advisors, he served as a Governor of the Federal Reserve. His current and past positions have groomed Dr. Bernanke and serve as an apprenticeship to succeed Chairman Greenspan.

Dr. Bernanke was widely considered one of the leading candidates to replace Dr. Greenspan as Chairman of the Federal Reserve. I was glad to see the President make his appointment, and I urge my colleagues to join me in supporting Dr. Bernanke as Chairman of the Federal Reserve.

I yield the floor.

**THE PRESIDING OFFICER.** The Senator from Maryland.

**Mr. SARBANES.** Mr. President, what is the parliamentary situation?

**The PRESIDING OFFICER.** The Senator from Maryland controls 30 minutes. The Senator from Alabama has 18 minutes 43 seconds remaining.

**Mr. SARBANES.** Mr. President, I yield 2 minutes to the Senator from Massachusetts who wishes to speak on a different subject.

**The PRESIDING OFFICER.** The Senator from Massachusetts is recognized. (The remarks of Mr. KENNEDY and Mr. SARBANES are printed in today's RECORD under "Morning Business.")

**Mr. SARBANES.** Mr. President, I join my able colleague from Alabama in supporting the nomination of Ben

Bernanke to be a member and Chairman of the Federal Reserve Board of Governors. We will be voting on a 14-year term on the Board of Governors, one of the longest terms we give to anyone other than Federal judges in the workings of our political system, and a 4-year term to be the Chairman of the Federal Reserve Board.

Before I address Dr. Bernanke, I wish to take a moment, as my colleagues have, to say a word about Chairman Alan Greenspan. Chairman Greenspan chairs the Federal Reserve Open Market Committee that is right now taking place. Then he steps down. He has served for over 18 years as Chairman of the Federal Reserve, the second-longest tenure in our history, exceeded only by William McChesney Martin. There have been occasions when I have differed with Chairman Greenspan on some of his decisions, most notably the green light he gave to large and excessive tax cuts in 2001 which helped to precipitate us into a serious deficit situation. But this ought not obscure the many accomplishments and successes during his long tenure.

Others have referenced the stock market crash which happened only a few months after he took office; the Asian Russian long-term capital management crisis, some 10 years later in the late 1990s; and, of course, the 9/11 attacks in 2001. Throughout all of that, he brought a steadying presence to the workings of the financial system and a shrewd understanding of the situation and what needed to be done to address it.

I commend Chairman Greenspan for bringing greater transparency into the workings of the Federal Reserve system, something which Dr. Bernanke has indicated he intends to continue and support, and Chairman Greenspan's rejection of rigid policymaking, rejecting the idea that there was a rigid formula or ideology by which you could establish a monetary policy. In particular, he was able to push the limits on lowering unemployment and providing jobs while still being able to control inflation. As a result we were able to get the unemployment rate down to levels that everyone previously had argued would lead to a spurt of inflation. Chairman Greenspan thought that wouldn't happen. It didn't happen. Now we have established different benchmarks in terms of monetary policy.

Dr. Bernanke, whose nomination is before us, is no stranger to the Senate. This is the fourth time in 3 years that we have been called upon to consider his nomination to a very significant position. In 2002, he was nominated to serve as a member of the Federal Reserve Board of Governors. He was re-nominated to that position in the following year. In 2005, he was nominated to serve as Chairman of the President's Council of Economic Advisers. Today, we have his nomination to serve as Chairman for a term of 4 years and as a Governor for a term of 14 years.

There is no question about Dr. Bernanke's qualifications for the position to which he has been nominated. He has served with distinction on the Federal Reserve Board from all accounts. He has had direct experience of economic policymaking at the Council of Economic Advisers and he has a very distinguished academic and scholarly background with a B.A. in economics from Harvard and a Ph.D. in economics from MIT. He has been on the faculty at MIT and at Stanford. Most recently, of course, he was at Princeton, where he served as chair of the economics department from 1996 to 2002, a department recognized as one of the very best, if not the best, in the country.

He commands great respect from his peers in the profession and I think great respect from all who have come in contact with him.

I do, though, want to take a moment to speak a bit about the seriousness of the economic challenges we face and which Dr. Bernanke will face as he assumes this important responsibility. We have seen the weakest recovery in our labor market of any post recessionary period since World War II—that is, in 60 years. While we have had some recent improvement, compared with recoveries from previous recessions, we have fallen well short. Furthermore, real wages have fallen over the past few years for middle class and working Americans.

Meanwhile, U.S. economic policy has been marked by a recklessness in its reliance on borrowing on the apparent assumption that substantial borrowing at home and abroad can go on and on and will always remain a continuing option for us. The consequence of this is that we are running dangerous current account deficits and substantial budget deficits in amounts that dwarf anything we have previously experienced. Many observers think that these deficits—the fiscal deficit and the current account deficit threaten our economy and our ability to deal with the challenges of the future.

Mr. President, the most recent figures indicate that economic growth has slowed to almost a crawl over the past 3 months. It was just over 1 percent in the last quarter of last year. That is the lowest rate of growth since 2002, and but for the buildup of inventories that took place in the fourth quarter, economic activity fell by three-tenths of 1 percent. So it was only the inventory accumulation that kept us from experiencing negative economic growth.

Mr. Bernanke, along with his colleagues at the Fed and those on the Open Market Committee, will face questions concerning the conduct of monetary policy. Of course, monetary policy doesn't exist in a vacuum. It plays a significant role in determining the shape and direction of the economy. Therefore, we need to consider it in the broader context. In fact, the Federal Reserve Act clearly mandates two goals: maximum employment and

stable prices. Those goals are set out in the Federal Reserve Act and constitute the guidance and direction from the Congress to the Federal Reserve for the objectives in the conduct of monetary policy.

The act says:

The Board of Governors of the Federal Reserve system and the Federal Open Market Committee shall maintain long-run growth of the monetary and credit aggregates commensurate with the economy's long-run potential to increase production so as to promote effectively goals of maximum employment, stable prices, and moderate long-term interest rates.

Accomplishing the Fed's dual mandate is the most important responsibility of the Chairman of the Federal Reserve. The experience of the 1990s, with unemployment down at 4 percent and inflation below 3 percent, demonstrated that these goals can be harmonized, unlike the assertion by some that they are inherently in conflict. Dr. Bernanke was pressed on this point in his confirmation hearing because he has been a proponent of what is called "inflation targeting," which requires the Fed to set a specific numeric target for inflation, announce that target to the markets and then manage the economy with the objective of reaching that target.

I want to underscore the importance of the Fed honoring its statutory dual mandate and not replacing it with a policy of inflation targeting. We must be concerned that if a numerical figure were to be set for inflation to the detriment of other considerations, employment foremost among them, policymaking would shift and so, too, would the debate about the health and strength of the economy. I fear that the focus of the debate would become not whether the Fed was successful in meeting the dual mandate, but rather the Fed's one-sided success or failure in reaching a numerical inflation goal.

Chairman Greenspan himself has made this point. Bloomberg News recently reported:

Fed Chairman Alan Greenspan has rejected adopting a target, saying it would rob U.S. policymakers of the flexibility they need to respond to developments in a rapidly changing economy.

I was, therefore, somewhat reassured when at his confirmation hearing Dr. Bernanke told the Banking Committee that he "subscribes entirely to the Humphrey-Hawkins mandate," which puts employment growth and output growth on a fully equal footing with inflation in terms of the Federal Reserve's objectives. Furthermore he went on to say, "I would not be interested in pursuing that matter"—referring to inflation targeting—"if I thought it involved changing the mandate of the Federal Reserve."

Mr. President, I put this issue out here only as a matter to be focused on as we move ahead into the future. Dr. Bernanke indicated that it was not his intention to seek changes in the Federal Reserve Act. I think that is a wise and prudent course to follow. How much time remains?

The PRESIDING OFFICER. The Senator has 14 minutes 20 seconds remaining.

Mr. SARBANES. I yield myself an additional 3 minutes. We learned last week that our economy slowed dramatically over the past 3 months to a growth rate of 1.1 percent, the slowest growth level in the past 3 years and, obviously, insufficient to meet our needs. Moreover, as I noted, even that modest growth was based entirely on inventory growth, which is a one-time shot for the economy and not a sustainable basis for growth.

The current unemployment rate of about 5 percent obscures the fact that the job creation during the course of this administration is the worst since the Hoover administration. In other words, every previous administration since that of Herbert Hoover has produced more jobs than this administration has produced. In fact, real wages are down for a great number of Americans, and it is little wonder that working Americans are concerned about their economic future.

Given these factors and the potential problems with our record level of deficits and debt at home and abroad, I urge the Fed to consider taking a pause from what has been a steady upward push in interest rates. We have had 13 successive increases in interest rates. Short-term rates have gone from 1 percent to 4.25 percent. We had 1-percent growth in the economy last quarter.

Furthermore, let me note two or three other serious issues. One is our current account deficit. Our international accounts are steeply imbalanced. We expect the current account deficit to approach \$800 billion for 2005, in excess of 6 percent of GDP. We are borrowing from abroad over \$2 billion on a daily basis to finance this deficit, and there is a broad consensus among economic experts that current account deficits of this magnitude are not sustainable. We will be obligated to pay this debt out into the future, which means it will come right out of the standard of living at home. Warren Buffet, talking about this situation, warned that we risk becoming what he called a "sharecropper's society."

Furthermore, as we continue to fall deeper into debt with the rest of the world, we are experiencing growing imbalances here at home. Real wages for the majority of working Americans have declined, while the real incomes of the wealthiest have increased astronomically. A recent Bloomberg News story observed that U.S. wages are lagging inflation and, even with unemployment near a 4-year low, workers have little leverage to demand higher pay. Other articles have reported the record bonuses that are now being given out on Wall Street. In fact, Chairman Greenspan in testimony before the committee stated:

I think the income distribution issue is very critical because you can't have a significant inequality of income and expect to have support for the type of institutions which have made this country great.

Mr. President, I also note the Fed's responsibility for carrying out important supervisory and regulatory authority over the safety and soundness of the Nation's banking and financial system. In the area of consumer protection, the Fed has broad jurisdiction over a host of consumer laws—the Community Reinvestment Act, Truth in Lending Act, Truth in Savings Act, Home Mortgage Disclosure Act, Electronic Funds Transfer Act, the Equal Credit Opportunity Act, and the Homeowners Equity Protection Act. These are major responsibilities of the Fed over and above its monetary policy responsibilities.

Finally, as I indicated, I intend to vote for this nominee. I think this nominee is extremely well qualified. He will assume the chairmanship at a time when the economy faces problems that have serious implications for our future economic health and the prospect of a rising standard of living for working Americans. In the current climate, our Nation will be well served by a policy of prudence and independent thought on the part of the Federal Reserve. I am hopeful that Dr. Bernanke will draw upon his distinguished work as an academic economist and his experience as a policymaker at the highest level of the Federal Government to make a prudent and independent policy the hallmark of the Fed in coming years.

Mr. DOMENICI. Mr. President, I rise today to express my support for the nomination of Dr. Ben Bernanke to be Chairman of the Federal Reserve. The Federal Reserve, or the Fed as it is commonly known, was created by Congress over 90 years ago to create a safe and stable financial system for the American people. The Chairman of the Federal Reserve must be a person of sound and prudent judgment and strong character. Throughout his academic and professional career, Dr. Bernanke has exhibited all these traits and I laud President Bush for nominating him to this important public position.

For the past 18 years, Americans have become accustomed to the sound analysis and policy judgments of outgoing Chairman Alan Greenspan. During this period, we as a nation have experienced several transformational events. The stock market crashed in 1987, a mere 2 months into Chairman Greenspan's tenure, and we have also dealt with financial crises in Asia, Latin American, and even closer, Mexico. The country has also suffered major natural disasters and terrorist attacks on our homeland. Throughout these occasions, Chairman Greenspan guided our Nation's financial markets with astute analyses and sound policy decisions. As a result, our economy has endured a number of shocks and continues to reemerge from each stronger than it was before.

In his hearings before the Senate, Dr. Bernanke displayed the candor and intellectual gravitas that has endeared

him to colleagues and policymakers throughout his long and distinguished career. Dr. Bernanke was graduated from Harvard College with a bachelor's degree and he later went on to earn a doctorate from the Massachusetts Institute of Technology. Since then he has taught economics to students at some of America's most prestigious universities and has become a highly regarded scholar of banking and monetary policy. Dr. Bernanke has a history of public service, having served on his local school board in Montgomery Township, NJ, the U.S. Census Advisory Board, and most recently the Council of Economic Advisers.

Our economy faces a number of challenges in the near future. Some of which include the pressures on the Social Security system, rising health care costs, and stresses on the Federal budget. Dr. Bernanke promises to bring a sound, fair, and nonpartisan economic adviser to the President and Congress on a number of macroeconomic matters. I laud his desire to continue pursuing policies aimed at maximum employment and control over inflation.

Dr. Bernanke's qualifications for this job are impeccable, and I ask my colleagues to join me in supporting his nomination to be the fourteenth Chairman of the Federal Reserve.

Mr. CHAMBLISS. Mr. President, I rise today in support of the nomination of a fellow Georgian, Dr. Ben Bernanke, to serve as not only a member of the Board of Governors of the Federal Reserve System, but to succeed Dr. Alan Greenspan as the next Chairman of the Board.

Dr. Greenspan has served America well for more than 18 years. During his service as Chairman, he guided the U.S. economy through a number of challenging hurdles including the stock market crash of 1987, the financial crises in Mexico and Asia, recessions in the United States and other spikes in the economy from corporate scandals, terrorist attacks, and natural disasters. Dr. Greenspan's tenure also includes the longest economic expansion in U.S. history which lasted from 1991–2001. For these reasons, it is clear why many refer to Chairman Greenspan as one of the greatest central bankers of all time.

While his footsteps will be difficult to follow, I am fully confident that Dr. Bernanke will continue Chairman Greenspan's legacy by guiding our economy in the right direction, and making the best decisions not only for the American people, but for the role of the United States in the global marketplace.

The Federal Reserve Board guides the Nation and its economy with a safe, flexible, and stable monetary and financial system. As the U.S. economy continues to grow, so does the role of the Federal Reserve Board in the global marketplace. Therefore, the qualifications for the Chairman of the Federal Reserve System must be held to the highest standard. I feel Dr.

Bernanke's impeccable qualifications and financial expertise make him an excellent candidate to succeed Dr. Greenspan.

Dr. Bernanke graduated from Harvard University with the highest honors and later received his Ph.D. in Economics from the Massachusetts Institute of Technology. Most recently he served as Chairman of the President's Council of Economic Advisers, CEA, where he "provided the President with objective economic analysis and advice on the development and implementation of a wide range of domestic and international economic policy issues." Prior to serving as Chairman of the CEA, Dr. Bernanke served 4 years on the Board of Governors of the Federal Reserve System.

Dr. Bernanke's expertise is well respected in the academic community. He was a professor of Economics at Stanford University and later served as a professor of Economics and Public Affairs at Princeton University, where he also served as Chairman of their Economics department for 6 years. Dr. Bernanke also served as the Director of the Monetary Economics Program of the National Bureau of Economics Research, as a member of the National Bureau of Economic Research's Business Cycle Dating Committee, and he has also worked for two terms as a member of New Jersey's Montgomery Township Board of Education, and as the Editor of the American Economic Review.

Dr. Bernanke is also one of the most cited authors in the financial community. He has also given several important lectures at the London School of Economics on monetary theory and monetary policy. Dr. Bernanke has also been the recipient of many prestigious fellowships and awards including the renowned Guggenheim Fellowship, the Sloan Fellowship and the Econometric Society Fellowship.

I have no doubt that with such an impressive background, Dr. Bernanke will serve with impartiality and will continue to guide our economy, as Dr. Greenspan has done for the last 18 years, down a stable and prosperous path. I urge my colleagues to join me in support of this distinguished nominee, and confirm Dr. Bernanke to the Board of Governors, and as Chairman of the Board for the next 4 years.

Mr. HATCH. Mr. President, I would like to take this chance to say a few words of thanks to Alan Greenspan for his service to our Government and to wish him well as he leaves the Federal Reserve. Alan Greenspan has done a commendable job as Chair of the Fed, and we are, indeed, fortunate to have had him in that position for the past 18 and a half years.

The previous two decades have seen an amazingly large number of crises that have impacted financial markets. The stock market crash of 1987, the Savings and Loan collapse and subsequent bailout in 1990, the Mexican bond crisis of 1994, the Asian financial panic

in 1997, Russia's bond default and the subsequent collapse of Long Term Capital Management in 1998, the collapse of the tech bubble in 2000, and the implosion of Enron in 2001.

In recent years, we have witnessed a sharp rise in housing prices, along with a concomitant chorus of financial experts exhorting him to "do something." Besides these various financial crises, the United States has also been the victim of a massive terrorist attack in 2001, which shut down financial markets for over a week, and we were forced to intervene militarily in Kuwait, Afghanistan, and Iraq.

Despite the staggering number of potentially catastrophic events, the United States has had only two short recessions in the past 20 years, a record that is to me simply amazing. Of course, it would be wrong to give the Federal Reserve and Alan Greenspan full credit for the prosperous conditions of the previous quarter century, but it is impossible to conceive of us achieving this level of prosperity without a vigilant and responsible Federal Reserve.

The main contribution of Chairman Greenspan and the Federal Reserve in the past 18½ years has been the taming of inflation. The effort to control this scourge began with Paul Volker, of course, but the specter of inflation does not die easily. It took Alan Greenspan another 10 or 15 years to finally rid the financial markets of the fear that as the economy expands, so must the rate of inflation. The evidence of high inflation's demise can be seen merely by looking at mortgage rates. The record low interest rates of the past few years has allowed tens of thousands of families in my home State of Utah to afford to buy their own home, something that was beyond the reach of many before.

Chairman Greenspan's success in taming inflation and creating a stable economic climate has paved the way for our next Fed Chairman, Ben Bernanke, to explicitly state that low inflation is his primary goal. Indeed, countries all over the world are following our lead of having an independent central bank dedicated to a stable price system, modeled after the one in the United States. This is no small credit to the ability of Mr. Greenspan and the capable economists employed by the Federal Reserve.

The pressure on the Chair of the Federal Reserve to "do something" in response to crises, both real or perceived, can be great. It is to his credit that Chairman Greenspan has been able to resist many of those calls and avoided meddling in situations where the potential economic benefits from such action were slight, but the potential costs heavy. In central banking, inaction is most often the better part of valor.

At this time, I would also like to express my enthusiastic support for the nomination of Ben Bernanke to be the next Chairman of the Federal Reserve's Board of Governors. Mr. Bernanke has

served quite admirably for the past 4 years both as a member of the Board of Governors and for the past 9 months as the head of the President's Council of Economic Advisers. He is a world-renowned scholar on monetary economics and the banking industry, and is one of the preeminent experts on the causes and consequences of the Great Depression.

Before Dr. Bernanke came to Washington, he was a professor of economics at Princeton University, perhaps the top school for economics in the world. He also served as its department chair for a number of years. While living in Princeton, he served on the local school board for a number of years, putting the lie to any notion that he has ever been an ivory tower academic unfamiliar with how the real world operates.

Benjamin Bernanke brings a gifted intellect, a wide variety of relevant experience, and an understanding of the importance of what the Federal Reserve does and the harm that it can bring to an economy. I wholeheartedly encourage my colleagues to join with me in voting for his nomination.

Mr. MENENDEZ. I rise in support of the nomination of Ben Bernanke, of my home State of New Jersey, to be the next Chairman of the Federal Reserve. Once again, New Jersey is honored that the President has nominated one of our own to serve our Nation in such a vital position.

Dr. Bernanke has a remarkable record of scholarship. He graduated from Harvard with top honors and later earned a doctorate in economics from the Massachusetts Institute of Technology, MIT. Dr. Bernanke then entered academia and has taught at some of the preeminent universities of our Nation, starting at Stanford before continuing at MIT and New York University and eventually ending as the Chairman of the Economics Department at Princeton University. He has also served our Nation with distinction in his roles at both the Council of Economic Advisers and the Federal Reserve.

As the newest member of the Senate Committee on Banking, Housing, and Urban Affairs, I look forward to working with Dr. Bernanke in ensuring that inflation remains in check, that our Nation's deficits are addressed and dealt with in a forthright manner, and that all Americans are able to successfully participate in our country's economy. He has a reputation of basing his decisions on sound economics, rather than ideology and partisanship, and I expect this to continue in his new role as Chairman.

Mr. President, I would be remiss if I did not also take this time to thank Alan Greenspan for his almost two decades of service and economic stewardship as the outgoing Chairman.

I am quite pleased that the President has nominated my fellow New Jerseyan, Dr. Bernanke, to be Chairman of the Federal Reserve and am

confident that he will do a good job in his new position, while making our shared State of New Jersey proud.

Mr. President, I yield the floor.

Mr. SHELBY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 18 minutes 43 seconds remaining. The Senator from Maryland has 8 minutes 5 seconds remaining.

Mr. SHELBY. Does the Senator wish to continue?

Mr. SARBANES. I will yield half of the remaining time to Senator DORGAN and the other half to Senator SCHUMER.

The PRESIDING OFFICER. The Senator from New York is recognized for 4 minutes 17 seconds.

Mr. SCHUMER. Thank you, Mr. President. I rise in strong support of the nomination of Mr. Bernanke to become Chairman of the Federal Reserve. First, I would be remiss if I didn't say a few words of congratulations to Alan Greenspan, who has truly been a giant in the field. He will be missed. He hovered over our economy similar to a caring guardian and has done an incredibly fine job. Every American of every political stripe should be grateful that Alan Greenspan served so well and so long. I called him yesterday to wish him well. He will do just fine. He is 79 and he is entitled to retire. I, for one, with no aspersions on Mr. Bernanke, wish he would have even stayed a little longer.

I think Mr. Bernanke is extremely well qualified for the job for a number of reasons. That is why I strongly support his nomination. He is erudite, he is smart, and he is one of those rare people who has made monetary policy his life's work. Many of us would not choose to do that, but he did and he has done it very well.

Second, Mr. Bernanke has assured us that he will follow the policies of Chairman Greenspan. That bespeaks well of his wisdom because Chairman Greenspan did such a superb job managing monetary policy. Anybody who says that starts with a leg up.

Third, he is not an ideologue. He is a solid, thoughtful person. He does not go to the extreme. He does not have a narrow theory that governs the way economic policy should be made. He assured us, despite some rumors to the contrary, for instance, that he would not follow a mechanistic, formulaic monetary policy. That is very important because our economy is so complicated and there are so many international considerations that you cannot be mechanistic in this changing new world, and he is not.

He is also not an ideologue in terms of general economic policy. He is not one of these people who advocate tax cuts above all, even if it plunges us into greater deficits. He is a thoughtful, moderate man. He is the right choice for the job.

Senator GRAHAM and I have been very concerned about the balance of trade with China and them pegging their currency at a low rate. He showed

sympathy—in fact, greater sympathy than many—when we talked about that with him.

There are great challenges for Chairman Bernanke. There is the internationalization of the economy. That affects monetary policy because, as I said, there are loopbacks. What happens with the yen and the yuan and the Euro affects the dollar in ways that did not occur before when so little of our economy was based on international trade.

He has to deal with another problem in our society—the agglomeration of wealth to the top. Our society cannot continue with the top 10 percent that glomerates most of the wealth. I hope he will speak out on issues beyond monetary policy because we don't have any respected voices who do that without a partisan edge, other than the Chairman of the Fed.

I make one final point. Contrast the nomination of Dr. Bernanke and Judge Alito. Dr. Bernanke is a moderate. There was consultation, and he is getting every Democratic vote. Judge Alito was a partisan nomination. There was no consultation. He is regarded by many of us on key issues at the extreme, and we had a divided vote. I hope and pray that in the future, the President will follow the nomination process more like he did with Dr. Bernanke, a unifying choice, rather than like Judge Alito, a partisan choice.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I will be brief. I had thought I agreed to the unanimous consent request in exchange for 10 minutes to speak on this nomination, but if that time does not exist, I will truncate my remarks.

Mr. SHELBY. Mr. President, I will be glad to yield to the Senator from North Dakota some of my time.

Mr. DORGAN. Mr. President, in that case, let me compliment the chairman and ranking member, which I would have done in any event. Let me spend more time complimenting them for their work.

The Banking Committee is very important in the Senate. It takes a very serious view of these issues and I know did a very thorough job in the hearings held late last year on this nomination for Chairman of the Federal Reserve Board. I thank the chairman for his courtesy, and I thank the chairman and the ranking member for their work, not just on this nomination but on so many important issues.

I don't come to the Chamber to oppose Mr. Bernanke's nomination. That is not my purpose. I wish him well. I want him to succeed. He is going to be confirmed almost unanimously today by the Senate.

Chairman Greenspan and I have had very significant differences over a long period of time. But I wish him well. I want to thank him for his service to our country, even if we have different views about monetary policy.

I know people will talk about big shoes to fill. Whenever someone leaves, there are big shoes to fill. I don't know if the shoes are big, little, Ferragamos or Payless—but they are shoes. We have someone else answering to the call of public service, in this case someone well qualified.

Mr. Bernanke has served at the Federal Reserve Board dealing with monetary policy and at the White House dealing with fiscal policy for President Bush. The Senate will confirm him today, and he will go back to the Federal Reserve Board as Chairman.

What I wanted to say today is that we have the twin issues of fiscal policy and monetary policy, and there needs to be some responsibility to understand how they work together to improve this country's future. I am very concerned about this country's economic future for reasons that Senator SARBANES touched on a moment ago. I wish to describe it to my colleagues.

I think the Federal Reserve Board for some long while—and, yes, it was under Chairman Greenspan's stewardship—has been providing green lights saying, It is OK, go right ahead, to a series of fiscal policy moves which has put us deep in debt. It is not just in budget policy where we have these deep and abiding long-term deficits and, therefore, increases in the Federal debt. We also have large trade deficits. In about a week and a half, we will have an announcement about last year's trade deficit. My expectation is it is going to be about \$750 billion, the highest in history. That debt is devastating to this country. It is unsustainable. At the same time, in fiscal policy, the Federal debt will increase in this fiscal year somewhere around \$650 billion.

I wish to put up a chart that shows what is happening. This is the wall of debt in fiscal policy. You will see year after year after year, going from 2006 to 2011, up to \$12 trillion in fiscal policy debt. Extend this another 5 years, and you get to \$16 trillion. This is a relentless wave of bad news in fiscal policy that we cannot continue. This is just fiscal policy. The trade policy debt looks even worse. Its growth is even more dramatic. Of course, that relates to the issues of jobs.

Last week, we heard Ford Motor say: Oh, by the way, we are going to cut 30,000 workers. Several months ago, it was General Motors saying: By the way, we are going to cut 20,000 to 30,000 workers. Four months before that, it was General Motors calling in the heads of the companies that provide the General Motors' parts, 300 people in a room, and the person in charge of parts for General Motors said this to them: You need, when making parts for General Motors cars, to outsource those jobs to China to get the costs down.

Where is all this heading? Ford, General Motors, parts to China, \$750 billion trade deficit in a year? It is headed in the wrong direction, and we are today selecting one person who is going to be

in a position of very significant influence in our Government about the direction of this country. Mr. Bernanke will play a significant role in determining the amount of economic growth and opportunity that will exist in the future, what kind of good jobs we will have, and how many.

Our fiscal policy, judged by anyone soberly looking at the facts, is seriously off track. I don't blame Mr. Bernanke for that, although he most recently worked at the White House in the fiscal policy arena. It is not a question of blame, it is a proposition that all of us, Republicans and Democrats, liberals, conservatives, moderates, must finally come together to say this is unsustainable.

Our country is off track in fiscal policy and trade policy. This debt will have consequences. And in the construct of monetary policy, it is critically important that Mr. Bernanke understand these messages and not do as has been done in most recent years and put up a big old green light and say to friends in Congress: Oh, by the way, go ahead, it will all work out; be happy. Fine. That is exactly what has happened in recent years, with a couple of exceptions.

The Federal Reserve Board is a strong central bank that is largely accountable to no one. I know, go back to the nineteen-teens when the Federal Reserve Board was created, and it was said on the floor of the Senate, we are not creating a central bank, we are not creating a strong central bank, and we are not for certain creating a strong central bank accountable to no one, but that's exactly what happened. You can make the case over a long period of time that things have gone pretty well with monetary policy here, fiscal policy there.

My colleague from Maryland talks about economic stabilizers. You can talk about some successes. Our recessions have been less deep in recent years because of economic stabilizers and some thoughtful approaches to dealing with monetary policy and fiscal policy. But I believe it is very important for us to understand where we are. If you don't understand where you are at the moment, it is pretty hard to figure out where you are going.

As we consider the nomination of one of the most important people in this country with respect to economic policy, a new Chairman of the Federal Reserve Board, I call attention once again to the fact that we have very serious, abiding, long-term economic problems which, unless resolved, will injure this country's long-term opportunity to remain a world economic power. It is that serious.

One final point. There is a little fund down at the Federal Reserve Board to which I also wish to call attention. I assume Mr. Bernanke knows of it. It is a fund in which \$12.9 billion exists. It is a fund at the Federal Reserve Board which is called a surplus account. The Federal Reserve Board, I remind every-

one, effectively creates money. It does not need a rainy-day fund because it will never lose money. It has not suffered an annual loss in some 90 years. And yet the Federal Reserve Board has a rainy-day fund, a surplus fund, which has grown now to \$12.9 billion.

I believe the Fed and the Congress ought to take a hard look at that and ask themselves, given the fact we are choking on debt these days, is there any reason that the Federal Reserve should continue to have a surplus fund of \$12.9 billion? The Fed wants a fund apparently because it might lose money someday. The Fed makes money. The Fed creates money. The Fed does not need \$12.9 billion in a surplus account.

So as Mr. Bernanke receives his approval of the Senate today, my hope is he might, with Members of Congress, take a look at that issue. Senator REID and I and others asked for a GAO report on that 10 years ago now—and the Fed blithely ignores the consequences of any of that and does what it wants to do. In fact, at that point, the reserve or surplus rainy-day fund was \$4.5 billion. Not only did the criticism of that fund not deter them, it has grown now to nearly triple that amount, in a rainy-day fund in a climate where it never rains. I am sorry, but Mr. Bernanke should take a good, hard look at that, and so should the Congress.

Having said all that, pointing out especially that we have very abiding and serious fiscal policy problems and trade policy problems, my hope is that Mr. Bernanke, in seizing the reins of our monetary policy in this country as Chairman of the Federal Reserve Board, has a successful tenure. I wish him well. I want him to do well. I want our country to do well. I come to the Chamber only to ask that all of us finally join together, including the Chairman of the Federal Reserve Board, to see where we are and where we must be if we want a strong America in the future, one that grows and finds opportunities for our children and grandchildren.

I again thank my two colleagues for the time. I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SHELBY. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHELBY. Mr. President, I reserve the remainder of my time at this point.

The PRESIDING OFFICER. The Senator from Alabama reserves the remainder of his time, 11 minutes 17 seconds.

The Senator from Georgia is recognized.

(The remarks of Mr. ISAKSON and Mr. OBAMA are printed in today's RECORD under "Morning Business.")

Mr. OBAMA. Mr. President, today I am introducing a resolution honoring the life and contributions of Coretta Scott King. I hope all my colleagues will join me in this effort.

Mr. SARBANES. Will the Senator yield? Will the Senator place me on his resolution?

Mr. OBAMA. I am happy to.

#### RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will stand in recess until 2:15.

Thereupon, the Senate, at 12:26 p.m., recessed until 2:15 p.m., and reassembled when called to order by the Presiding Officer (Mr. VOINOVICH).

#### NOMINATIONS OF BEN S. BERNANKE TO BE A MEMBER AND CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Continued

Mr. BUNNING. Mr. President, I rise today to oppose the nomination of Dr. Ben Bernanke to be Chairman of the Board of Governors of the Federal Reserve. I am not one who relishes opposing President Bush's nominees or his policies. I have been supportive of an overwhelming majority of them, but I have opposed a nominee or two on a few occasions. This is one of those rare occurrences.

Dr. Bernanke has an impressive resume and career. He received his bachelor of arts in economics in 1975 from Harvard University. From there he headed off to Massachusetts Institute of Technology where he received his Ph.D. in economics in 1979. He was assistant professor of economics in the graduate School of Business at Stanford University from 1979 to 1983 and then became associate professor of economics at Stanford's graduate School of Business from 1983 to 1985.

Ben Bernanke then popped over to Princeton University. There he became a professor of economics and public affairs from 1985 to 1994. He stayed at Princeton and ultimately became chair of its economic department until 2002. He was then appointed to serve as a member of the Board of Governors of the Federal Reserve System by President Bush.

Dr. Bernanke was then tapped as chairman of the President's Council of Economic Advisers and he has held that post since June of 2005.

Of course, along with this academic and employment résumé, Dr. Bernanke has received many honors and fellowships along the way. He has also published many articles on a wide variety of economic issues, articles relating to monetary policy, inflation targeting, microeconomics, central banking, and many other issues relating to economic and monetary theories.

This all sounds very impressive, and it is. It is an economic elitist dream.

For some, it can be a nightmare. I hope he does not hold too many of the ivory-towered theories of academia for real-world wisdom as he heads off to be the next Fed Chairman.

I voted for Ben Bernanke in the Banking Committee and in the Senate to be the Fed Governor in 2002. I supported him to the Board of Governors at the Fed because of a private meeting we had.

Over the years I have had some great concern about the Federal Reserve and the way it operates. One of my biggest concerns is that the Federal Open Market Committee, the FOMC, suffers from "group think." It seems to me no one ever challenges the Fed Chairman. I rarely, if ever, witnessed or heard any of the Fed Governors publicly challenging or disagreeing with Chairman Alan Greenspan.

Chairman Greenspan has done an admirable job during his tenure at the Federal Reserve. He had a difficult task. Part of his job was to predict the future. However, I believe Chairman Greenspan has always erred on the side of raising interest rates. I am not alone with this opinion. History has shown he has made many mistakes in raising rates for too long. My problem is when he did that, not one Governor raised their voice. Instead, they either bit their tongue out of fear they would be viewed as not a team player or perhaps what might be worse is that they all agreed with each other and simply reinforced bad ideas.

Diversity of thought and dissension is, indeed, necessary within the Federal Reserve. After all, the Chairman of the Fed and its Board of Governors essentially have the greatest power over shaping our economy. And the economy affects every American.

I understand the argument that to have an FOMC rife with dissension might not be the best for the markets. I have heard the argument that it would rattle the markets and send Wall Street into a tizzy. Yes, overall, it is important the FOMC speak with one voice. However, the pendulum can swing too far from dissent. My fear is that the FOMC under Chairman Greenspan has arguably suffered from group think and that the FOMC has unintentionally become a rubberstamp for Chairman Greenspan's recommendations.

We need an FOMC that is truly independent. It must be independent from the Congress and the executive branch. We cannot have a Fed that is influenced by the President. We certainly know the Fed does not pay any attention to Congress. For the FOMC to function properly, its members must challenge the Chairman. No Chairman should be able to dominate. There must be intellectual sparring so all members are heard and the FOMC can come up with the best decision for the country.

The Federal Open Market Committee needs independent voices. Dr. Bernanke promised me he would be an independent voice as a member of the

FOMC. He promised me he would stand up to the Chairman if he thought he was being rolled. Sadly, I have not seen very much evidence of him being independent. I never saw him vote, not once, against the Chairman. I never, ever saw him challenge the Chairman. And as far as I can tell, they never had a disagreement.

As important as it is for the FOMC member to be independent, it is more important the Chairman be independent. The Fed Chairman must not give in to outside pressures. Monetary policy decisions must be made for the good of the country and not for political considerations. When Dr. Bernanke was a Fed Governor, I did not witness him showing independence from the Chairman at all. During his tenure as a Fed Governor, there were 23 votes taken by the FOMC committee. Not once did Dr. Bernanke vote against Chairman Greenspan. I don't think that is independence; that is group think. He did not show independence as a Fed Governor. How can we be sure he will be an independent person as Chairman of the Fed?

The pressures to go along for a quick political fix will be even greater. Will he stand up to the President? Will he stand up to the New York Times, the Washington Post, the Wall Street Journal? Will he stand up to the business and economic pundits in the broadcast media or anyone else when they call for rate increases or decreases? I am not convinced he will. The past is prologue. I hope I am wrong.

It is mainly for this reason that in 2005 I opposed his confirmation as Chairman of the President's Council of Economic Advisers. I hope Ben Bernanke proves to be a fine Chairman of the Federal Reserve. I hope he uses his vast knowledge of our economy to make correct monetary policy decisions. I hope he gains the trust of Wall Street, much like the last two chairmen.

Dr. Bernanke has talked about bringing more transparency to the Fed. I hope he does this. I hope he continues to be plain spoken.

One other reason I oppose Dr. Bernanke is because he says he will continue the policies of Chairman Greenspan. That does not sit well with me. I hope this is not completely true. I hope Ben Bernanke refrains from talking about things outside the purview of the Federal Reserve. One of my biggest problems with Chairman Greenspan was that he talked about everything under the sun: tax policy, trade deficits, budgets, fiscal policy, the Nation's oil patch. The Fed's jurisdiction is narrowly scoped to monetary policy, but if you asked Chairman Greenspan about monetary policy, he would talk about everything under the Sun without ever answering your questions. If you asked him something that had nothing to do with monetary policy, he was more than happy to give you a clear and concise answer. Hopefully, Dr. Bernanke will be a different